AMENDED IN SENATE JULY 17, 2007

AMENDED IN SENATE JULY 3, 2007

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AMENDED IN ASSEMBLY APRIL 26, 2007

AMENDED IN ASSEMBLY MARCH 6, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 236

Introduced by Assembly Members Lieu, DeSaulnier, and Huffman (Principal coauthor: Senator Florez)
(Coauthors: Assembly Members Krekorian, Mendoza, Portantino, and Ruskin)

(Coauthor: Senator Wiggins)

January 31, 2007

An act to amend Sections 25722.5, 25725, and 25726 of, and to add Sections 25722.6 and 25722.8 to, the Public Resources Code, relating to public resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 236, as amended, Lieu. Public resources: state and local motor vehicle fleets.

(1) Existing law requires the Department of General Services, in consultation with the State Energy Resources Conservation and Development Commission (Energy Commission) and the State Air Resources Board (board), to develop and adopt specifications and standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies, and departments.

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These specifications and standards are required to include specified elements. The Energy Commission and the board developed and adopted recommendations on a California Strategy to Reduce Petroleum Dependency (strategy). The Energy Commission, in partnership with the board, is required, by June 30, 2007, to develop and adopt a state plan to increase the use of alternative transportation fuels (state plan). The Director of General Services is required to compile and maintain specified information on the nature of vehicles that are owned or leased by the state.

This bill would require the Energy Commission, in conjunction with the board and the Department of General Services, by December 31, 2008, to amend and revise existing purchasing methodology to rank environmental and energy benefits, and costs of motor vehicles for potential procurement by state and local governments to be consistent with the strategy and the state plan, and to develop vehicle ranking containing specified criteria. By July 1, 2009, available vehicles in individual classes would be ranked based on the purchasing methodology revised by the Energy Commission. The Department of General Services would be required to procure, for use in the state fleet, vehicles that meet federal requirements and have been ranked best in their class as determined by the revised purchasing methodology, except as specified. The Department of General Services would be required to take specified actions regarding vehicle procurement and alternative fuel and related infrastructure. By July 1, 2009, a vehicle capable of using alternative fuels would be required to be operated on those fuels unless it is impossible to do so. The Director of General Services would be required to compile and maintain the number of alternative fuel vehicles in the vehicle fleet that use the respective alternative fuel in those vehicles and the number that use petroleum and to report annually to the Legislature and the Governor the information on the nature of vehicles that are owned or leased by the state and the total annual consumption of fuel. On December 31, 2009, and annually thereafter, the Director of General Services would, additionally, be required to report to the Legislature and the Governor on the total alternative fuel capacity of the tanks of all the alternative fueled vehicles in the state fleet and the total annual vehicle miles traveled by state vehicles. The Secretary of State and Consumer Services, in consultation with the Department of General Services and other appropriate agencies, would be required, on or before December 31, 2008, to develop and implement,

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and submit to the Legislature and the Governor, a plan to reduce or displace the state fleet's consumption of petroleum products.

(2) Existing law authorizes a city, county, city and county, and special district, including a school district and a community college district, when awarding a vehicle procurement contract, to evaluate and score fuel economy, in addition to other life-cycle factors, in choosing passenger cars or light-duty trucks, or both, with the lowest life-cycle cost; and to require that 75% of the passenger cars or light-duty trucks, or both, to be acquired be energy-efficient vehicles.

This bill would make technical nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 25722.5 of the Public Resources Code is amended to read:
- 3 25722.5. (a) In order to achieve the policy objectives set forth
- 4 in Sections 25000.5 and 25722, the Department of General Services, in consultation with the commission and the State Air
- 5 Services, in consultation with the commission and the State Air
- 6 Resources Board, shall develop and adopt specifications and
- standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies,
- 9 and departments. Authorized emergency vehicles An authorized
- 10 *emergency vehicle*, as defined in Section 165 of the Vehicle Code,
- that—are is equipped with emergency lamps or lights described in
- 12 Section 25252 of the Vehicle Code—are is exempt from the
- 13 requirements of this section. The specifications and standards shall
- 14 include the following:

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- (1) Minimum air pollution emission specifications that meet or exceed California's Ultra-Low Emission Vehicle II (ULEV II) standards for exhaust emissions (13 Cal. Code Regs. 1961). These specifications shall apply on January 1, 2006, for passenger cars and on January 1, 2010, for light-duty trucks.
- (2) Notwithstanding any other provision of law, the utilization of procurement policies that enable the Department of General Services to do all of the following:
- 23 (A) Evaluate and score emissions, fuel costs, and fuel economy 24 in addition to capital cost to enable the Department of General

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Services to choose the vehicle with the lowest life-cycle cost when awarding a state vehicle procurement contract.

- (B) Maximize the purchase or lease of hybrid or "Best in Class" vehicles that are substantially more fuel efficient than the class average.
- (C) Maximize the purchase or lease of available vehicles that meet or exceed California's Super Ultra-Low Emission Vehicle (SULEV) passenger car standards for exhaust emissions.
 - (D) Maximize the purchase or lease of alternative fuel vehicles.
- (3) In order to discourage the unnecessary purchase or leasing of a sport utility vehicle and a four-wheel drive truck, a requirement that each state office, agency, or department seeking to purchase or lease that vehicle, demonstrate to the satisfaction of the Director of General Services or to the entity that purchases or leases vehicles for that office, agency, or department, that the vehicle is required to perform an essential function of the office, agency, or department. If it is so demonstrated, priority consideration shall be given to the purchase or lease of an alternatively fueled or hybrid sports utility vehicle or four-wheel drive vehicle.
- (b) The specifications and standards developed and adopted pursuant to subdivision (a) do not apply upon the development and implementation of the method, criteria, and procedure described in Section 25722.6.
- (c) Each state office, agency, and department shall review its vehicle fleet and, upon finding that it is fiscally prudent, cost effective, or otherwise in the public interest to do so, shall dispose of nonessential sport utility vehicles and four-wheel drive trucks from its fleet and replace these vehicles with more fuel efficient front-wheel drive passenger cars and trucks.
- (d) To the maximum extent practicable, each state office, agency, and department that has bifuel natural gas, bifuel propane, and flex fuel vehicles in its vehicle fleet shall use the respective alternative fuel in those vehicles.
- (e) The Director of General Services shall compile annually and maintain information on the nature of vehicles that are owned or leased by the state, including, but not limited to, all of the following:
- 38 (1) The number of passenger-type motor vehicles purchased or 39 leased during the year, and the number owned or leased as of 40 December 31 of each year.

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(2) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the number owned or leased as of December 31 of each year.

- (3) The number of alternatively fueled vehicles and hybrid vehicles purchased or leased by the state during the year, and the total number owned or leased as of December 31 of each year.
- (4) The justification provided for all sport utility vehicles and four-wheel drive trucks purchased or leased by the state and the specific office, department, or agency responsible for the purchase or lease.
- (5) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the number owned or leased as of December 31 of each year that are alternative fuel or hybrid vehicles.
- (6) The number of light-duty trucks disposed of under subdivision (c).
- (7) The total dollars spent by the state on passenger-type vehicle purchases and leases, categorized by sport utility vehicle and nonsport utility vehicle, and within each of those categories, by alternative fuel, hybrid and other.
- (8) The total annual consumption of gasoline and diesel fuel used by state fleet.
 - (9) The total annual consumption of alternative fuels.
- (10) On December 31, 2009, and annually thereafter, the Director of General Services shall also compile both of the following:
- (A) The total alternative fuel capacity of the tanks of all the alternative fueled vehicles in the state fleet that are capable of using each of those alternative fuels, by fuel type, including bifuel or flex-fueled vehicles.
- (B) The total annual vehicle miles traveled by vehicles in the state fleet.
- (f) Each state office, agency, and department shall cooperate with the Department of General Services' data requests in order that the department may compile and maintain the information required in subdivision (e).
- (g) As soon as practicable, but no later than 12 months after receiving the data, the information compiled and maintained under subdivision (e) and a list of those state offices, agencies, and departments that are not in compliance with subdivision (f) shall

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be made available to the public on the Department of GeneralServices' Internet Web site.

- (h) The Director of General Services shall report annually to the Legislature and the Governor the information compiled and maintained pursuant to subdivision (e).
- SEC. 2. Section 25722.6 is added to the Public Resources Code, to read:
- 25722.6. (a) On or before December 31, 2008, the commission, in conjunction with the State Air Resources Board and the Department of General Services, shall amend the existing "Enhanced Efficiency Costing Methodology for Passenger Cars and Light-Duty Vehicles" to be consistent with the California Strategy to Reduce Petroleum Dependency developed pursuant to subdivision (f) of Section 25720 and the state plan to increase the use of alternative transportation fuels developed pursuant to Section 43866 of the Health and Safety Code, and to rank the environmental and energy benefits, and costs of motor vehicles for potential procurement by state and local governments. The vehicle rankings shall include the following criteria:
- (1) The reduction in greenhouse gas emissions, air pollutant emissions, and petroleum use on a full fuel-cycle basis.
- (2) The availability of refueling infrastructure where the vehicle will be operated.
- (3) The life-cycle costs of the vehicle and fuel, including maintenance, and the additional pro-rata cost of needed infrastructure to refuel the vehicle with alternative fuel over the life of the vehicle, if any.
- (b) On or before December 31, 2008, the Department of General Services shall revise its procedures for the procurement of state and local government vehicles based upon the necessary performance specifications of the vehicles to perform the required work or tasks of the vehicles in the fleet. The Department of General Services shall establish vehicle "classes" depending upon the required work or tasks and the necessary performance specifications.
- (c) On or before July 1, 2009, for the purpose of state fleet procurement, both of the following shall apply:
- (1) Available vehicles in individual classes shall be ranked for purchase or lease using the method and criteria developed in subdivision (a).

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(2) A vehicle capable of using alternative fuels shall be operated on those fuels unless it is impossible to do so.

- (d) The Department of General Services shall do all of the following:
- (1) During the normal course of coordination and contracting with nearby fueling stations, provide information related to the alternative fuel vehicles in the state fleet and request the station provide a fuel supply to meet that demand.
- (2) Evaluate vehicles for potential addition to the state and local fleets, as described in this section, on an annual basis, reflecting annual new vehicle availability.
- (3) (A) Procure only vehicles for use in the state fleet that meet all requirements established by the federal government, including, but not limited to, the federal Energy Policy Act of 1992, if applicable, and that have been ranked best in their class as determined by the evaluation in subdivision (a).
- (B) If fueling infrastructure, for the fuel used to rank a vehicle best in class, is not available in that annual purchasing cycle, the Department of General Services shall procure the vehicle ranked next best in class for which fueling infrastructure is available.
- (e) Authorized emergency vehicles as defined in Section 165 of the Vehicle Code, that are equipped with emergency lamps or lights described in Section 25252 of the Vehicle Code, are exempt from the requirements of this section.
- (f) Each state office, agency, or department seeking to purchase or lease a sport utility vehicle or four-wheel drive vehicle shall demonstrate to the satisfaction of the Director of General Services or the entity that purchases or leases vehicles that the vehicle is required to perform an essential function of the office, agency, or department. If it is so demonstrated, priority consideration shall be given to the purchase or lease of an alternative fueled or hybrid sports utility vehicle or four-wheel drive vehicle.
- SEC. 3. Section 25722.8 is added to the Public Resources Code, to read:
- 25722.8. On or before December 31, 2008, the Secretary of State and Consumer Services, in consultation with the Department of General Services and other appropriate state agencies that maintain or purchase vehicles for the state fleet, including the campuses of the University of California and the California State University, shall develop and implement, and submit to the

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Legislature and the Governor, a plan to improve the overall state

- fleet's use of alternative fuels, synthetic lubricants, and
- 3 fuel-efficient vehicles by reducing or displacing the consumption
- 4 of petroleum products by the state fleet when compared to the 5 2003 consumption level based on the following schedule:
 - (a) By January 1, 2012, a 10-percent reduction or displacement.
 - (b) By January 1, 2020, a 20-percent reduction or displacement.
 - SEC. 4. Section 25725 of the Public Resources Code is amended to read:
 - 25725. When awarding a vehicle procurement contract, every city, county, city and county, and special district, including a school district and a community college district may evaluate and score fuel economy, in addition to other life-cycle factors, in choosing passenger cars or light-duty trucks, or both, with the lowest life-cycle costs.
 - SEC. 5. Section 25726 of the Public Resources Code is amended to read:
 - 25726. (a) When awarding a vehicle procurement contract, every city, county, city and county, and special district, including a school district and a community college district may require that 75 percent of the passenger cars or light-duty trucks, or both, to be acquired be energy-efficient vehicles.
 - (b) "Energy-efficient vehicle" means either of the following:
 - (1) A vehicle that meets California's super ultralow emission vehicle (SULEV) standard for exhaust emissions and the federal inherently low emission vehicle (ILEV) evaporative emission standard, as defined in Part 88 (commencing with Section 88.101-94) of Title 40 of the Code of Federal Regulations.
- (2) A hybrid vehicle or an alternative fuel vehicle that meets 30 California's advanced technology partial zero-emission vehicle (AT PZEV) standard for criteria pollutant emissions.